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Approved For Release 2000/08/17 : CIA-RDP61-00549R000100170026-9

IAC-D-57/95  
26 March 1958

Post-Mortem on NIE 54-58:

The Outlook for Ceylon,

dated 18 March 1958

I. Findings

1. Preparation of this estimate was handicapped by a dearth of detailed information bearing on the organization, character, and functioning of Ceylon's leftist political parties and on the personalities, strengths, objectives, and allegiances of their leaders. For example, we lack adequate information regarding:

a. The apparent struggle between moderate and radical elements within the Sri Lanka Freedom Party and the extent of Gunawardena's following within that party in the event of a showdown between him and Bandaranaike.

b. Bandaranaike's and Gunawardena's estimates of and attitudes toward each other; the cohesion of the People's United Front in various contingencies.

c. Gunawardena's attitude toward Moscow.

d. The actual strength (membership) of the three Communist parties.

2. We also lack adequate information regarding:

a. The political sentiments of Ceylonese military leaders and the circumstances by which they would be moved to intervene in politics.

b. Equipment, training, discipline, morale, ethnic and religious composition, and loyalties of the armed forces and the police.

c. The extent of Communist penetration of the armed forces, police, and civil service.

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d. The nature and importance of Ceylonese public opinion on key political and economic issues; which elements in society have most influence in shaping public opinion; what is the influence and attitude of the vernacular press.

e. The amount spent annually on economic development and the extent of progress in replanting rubber, coconuts, and tea.

3. Possible future developments requiring close scrutiny are:

a. A break-up of the Peoples' United Front; possible political realignments in that event.

b. Communal tensions, particularly as between Sinhalese Buddhists and Ceylonese and Indian Tamils.

c. The progress of Communist efforts to extend their influence in rural areas; Communist exploitation of communal tensions, particularly evidences of Communist-Tamil cooperation.

d. Collaboration between the three Communist parties.

e. The impact of Gunawardena's collectivization projects.

f. Progress toward a revitalization of the United National Party; evolution toward a new program and leadership and popular and political reaction thereto.

g. The magnitude and effects of increasing Sino-Soviet aid and trade.

## II. Action

The IAC agencies are requested to take such action as is feasible to remedy the above weaknesses in intelligence coverage.

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